



Norman H. Bangerter, Governor Dee C. Hansen, Executive Director Robert L. Morgan, State Engineer

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January 9, 1991

Division of Oil, Gas & Mining Attn: Daron Haddock, Permit Supervisor 355 West North Temple 3 Triad Center, Suite 320 Salt Lake City, Utah 84180

Re: NEICO State Lease Genwal Coal Company Crandall Canyon Mine

Dear Daron:

Recently a review has been made concerning the above referenced submittal. It would appear that we have no comments relative to the new State Leases. However, you should be aware that the water right which is used at the mine is of a temporary nature and will expire February 28, 1991. At that point in time, a legal water right will not exist. We corresponded with Allen Childs on October 30, 1990, but we have yet to hear from him concerning this matter.

I appreciate the opportunity to review this information. Should you have any questions, please feel free to contact me.

Sincerely,

Mark P. Page Area Engineer

cc: Genwal Coal Company Attn: Allen Childs

P.O. Box 1201

Huntington, Utah 84528

MPP/mjk